

## SUBCHAPTER E—GRANT PROGRAMS

### PART 280—NEHEMIAH HOUSING OPPORTUNITY GRANTS PROGRAM

Sec.

280.1 Applicability and scope.

280.5 Definitions.

280.10 NHOP Assistance.

280.15 Assistance under other HUD programs.

280.20 Home quality.

280.25 Other Federal requirements.

#### Subparts A–D [Reserved]

#### Subpart E—Program Operation

280.30 Grant agreement.

280.35 Minimum participation.

280.40 Eligible purchasers.

280.45 Sales contract and downpayment requirements.

280.50 Loan requirements.

280.55 Loan and profit.

280.60 Funding amendments and deobligation of funds.

AUTHORITY: 12 U.S.C. 1715<sup>l</sup> note; 42 U.S.C. 3535(d).

#### § 280.1 Applicability and scope.

(a) This part sets forth the requirements for existing grants under the Nehemiah Housing Opportunity Grants Program (NHOP). NHOP was established by title VI of the Housing and Community Development Act of 1987 (12 U.S.C. 1715<sup>l</sup>). Under NHOP, HUD made grants to nonprofit organizations to be used to provide loans to families purchasing homes constructed or substantially rehabilitated in accordance with a HUD approved program. NHOP was repealed by Section 289(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12839). Accordingly, no new grants are being awarded under the program.

(b) *Purpose.* The purposes of NHOP are:

(1) To encourage homeownership by families who are not otherwise able to afford homeownership;

(2) To undertake a concentrated effort to rebuild the depressed areas of cities and to create sound and attractive neighborhoods; and

(3) To increase the employment of residents of these neighborhoods.

[54 FR 22258, May 22, 1989, as amended at 61 FR 42953, Aug. 19, 1996]

#### § 280.5 Definitions.

As used in this part:

*Assistance* means grants to recipients for the purpose of providing loans to families purchasing homes constructed or substantially rehabilitated in accordance with an approved program.

*Date of purchase* means the date that a family executes a sales contract for the purchase of a home under this part.

*Home* means a one- to four-family dwelling. The term includes dwelling units in a condominium project that consists of not more than four dwelling units, dwelling units in a cooperative project that consists of not more than four dwelling units, townhouses, and manufactured homes.

*Metropolitan statistical area* means a metropolitan statistical area or a primary metropolitan statistical area established by the Office of Management and Budget.

*Neighborhood* means an area that is distinguishable from other areas on the basis of one or more significant features such as:

(a) Natural or man-made boundaries;

(b) A locally recognized name, formal or informal;

(c) An identity as a residential subdivision;

(d) An identity as an elementary school district; or

(e) Distinctive population, social, or housing characteristics.

*Nonprofit organization* means a private nonprofit corporation or other private nonprofit legal entity. No part of the net earnings of the organization may inure to the benefit of any member, founder, contributor, or individual. The organization (a) may not be controlled by, or be under the direction of, persons or firms seeking to derive profit or gain from the organization; (b) must have a voluntary board; and (c) must have a tax exemption ruling from the Internal Revenue Service under section 501(c) of the Internal Revenue